

## STOWE 100 CLUB RULES

1. The name of the syndicate is the Stowe 100 Club.
2. Henry Kimbell of 3 Rules Yard, Boxford, Sudbury CO10 5DW and our three trainers, Edward Bethell of Thorngill House, Coverham, Leyburn DL8 4TJ, Alex Hales of Trafford Bridge Stables, Edgcote, Banbury, Oxon OX17 1AG and Jonathan Portman of Whitcombe House Stables, Maddle Road, Upper Lambourn, Berkshire RG17 8RA are irrevocably appointed as Club Managers under the Rules of Racing and they will be entitled to recover expenses incurred in providing the services of themselves as Club Managers, such charges being taken by deduction from monies received in subscriptions and prize money.
3. The objects for which the Syndicate has been formed are
  1. to encourage the interest of its members in horse racing. The horses FAGAN and two flat horses to be agreed at a later date will be leased for the term to run in the name and colours of the Syndicate.
  2. the enjoyment and entertainment of its members

**This is not an investment opportunity and there must be no expectation of a financial return.**

Applications for Syndicate membership should only be made with money that the applicant can afford to lose, in return for which the applicant shall have the opportunity to enjoy the benefits set out in these rules.

4. The term of the lease agreements will run from 1st July 2022 to 31st October 2023 and 100 shares will be available.
  - 4.1 In the event of not all shares being sold then one horse will be removed from the syndicate. To make a two horse syndicate financially viable then a minimum of 60 shares must be sold.
5. All income associated for all horses identified in 3.1 - including prize money - will be received in full by the syndicate except in the instance of FAGAN where the prize money received will be at 60% subject to a condition of his lease to the 100 Club from his lessor.
6. All lessors acknowledge the agreed period of the leases and will make FAGAN and the two flat horses available to the lessee for the duration of the lease save for the, unlikely, event of an offer of purchase being forthcoming. In this scenario the lessee will be notified and the lessor

have the right to accept such an offer should it become unpractical not to do so and/or not to wait until the conclusion of the lease period.

In such an event the lessee (Stowe 100 Club) shall be entitled to 10% of the difference in value of both horses at the start of the lease and the final sale price by means of compensation for terminating the lease early.

7. Club members accept that horse racing is an entertainment and that it is hoped all horses will run in races during the term. However, injuries do occur to horses and no guarantees whatsoever can be given about whether the horses will run.

Should any horse not warrant being in training for reasons of ability or long term injury then the lease can be terminated by the lessee and the relevant Club Managers will look to secure a replacement (on the same terms if possible) for the benefit of the members at no additional charge.

8. Mortality insurance will be considered on a case by case basis by the Club Managers and any updates will be communicated to syndicate members.

Public liability up to £10million is included through the trainer's yard cover.

9. By joining the Club, members also consent to have their name and email address passed onto The Racing Manager. This is so each member can be given access to a dedicated communication channel, managed by the Club Managers, about the welfare and running plans of their horses.

Each member will receive an email from The Racing Manager inviting them to sign up to this service, which is included within your share price.

If any shareholder would like other members of their family to have a login to this portal then there will be a charge of £20 per person.

10. Henry Kimbell will be the Syndicate Manager. He will deliver the bulk of the communications around our races and social events. He will charge £500 per month to cover his time for managing the Club with a further £150 available monthly for his travel expenses to events connected to the Club. This will be itemised on the end of season accounts.

11. In the event of unexpected expenses being incurred, for example unanticipated veterinary costs or an expensive race entry fee, the Club Managers shall carefully consider such scenarios and shall inform members with suitable warning. They will be permitted to seek reimbursement from the members of the Club either through pro rata

share of prize money or additional contributions.

12. A member of the Club shall cease to be a member and shall automatically forfeit all rights of membership (including the right to any share in prize money and the net proceeds of sale) and the deposit and subscriptions paid upon:

12.1 bankruptcy, or

12.2 if any part of the subscription shall remain unpaid for 14 days after falling due, or

12.3 if in the opinion of the Club Managers (whose decision shall be final and binding) the member should use or attempt to use membership of the Club for any political purpose, or

12.4 if the member brings the Club into disrepute, or acts to the disadvantage of either, or

12.5 if the member acts in breach of the Rules of Racing of the British Horse Racing Authority from time to time in force or

12.6 if the member is declared an excluded or Disqualified Person as defined in the Rules of Racing or is excluded under the Rules of Racing.

Any membership forfeited may be resold/retained by the Club Managers.

13. 'Prize money' shall mean such net income (as described in 5) as is won by the horses running in the name of the Club and actually received by the Club Managers.

For the avoidance of doubt, prize money does not include the value of trophies won or any sum in lieu of the same and there is no guarantee that any prize money whatsoever will be won at any time. Any trophy or prize won by any of the horse(s) running in the name of the Club shall be the absolute property of the Club.

14. The Club is keen to support charitable endeavours and as such it is agreed £50 per share and 5% of any prize money won by the syndicate horses during the term will be donated to Stowe School Foundation, charity number 1071363. The remainder split equally within the membership.

15. After the period has concluded and as soon as is practically possible, accounts shall be prepared showing all income and outgoings including subscriptions paid, net prize money received (less the 5% to charity pursuant to clause 13), sponsorship income, and all fees, expenses, disbursements incurred in transporting, keeping, training, and

racing the horse including, but without limitation and without prejudice to the generality of the foregoing, insurance premiums, freight charges, keep charges, training fees, racing fees, race entry fees, jockeys fees, presents, commissions, race-day expenses, veterinary and farrier fees, dentists fees, other professional fees, accommodation for staff, staff wages, keep charges, interest payments, taxation and any other expenses.

16. The aforesaid account shall be conclusive and binding upon each member save in the case of manifest error. The resulting balance shall be distributed to the members rateably subject always to variation to reflect any debt due from any member.

17. The Club Managers shall make all decisions about all matters concerning the Club including without prejudice to the generality of the foregoing decisions as to sale, purchase and leasing of horses, sponsorship, management, training and racing of horses and administration and general management of the Club and the distribution of any net prize money received and any other monies. The Club Managers shall make those decisions in their absolute discretion and without assigning any reason and without being liable for any loss howsoever caused.

18. The Club Managers shall not be liable for any loss to any Club member howsoever caused. No Club member shall have any claim against the Club Managers or against any other Club member in respect of any loss or injury sustained by the horse or any other loss howsoever caused.

19. Club members will receive:

- Entry into a ballot for owners badges when your horse races
- Box hospitality at certain meetings
- Visits to all three trainer yards to watch the 100 Club horses work on the gallops as well as a private tour from the trainer
- Invitation to join our private Old Stoic Racing Club Facebook page
- An invitation for you and a guest to the annual end of season lunch at Stowe
- A percentage share in prize money generated by all horses leased by the Club
- Invitations to 100 Club events including preview evenings and other social events across the country
  
- Regular progress emails, photos and videos of your horses with a private log in to The Racing Manager (TRM).

*TRM is the definitive online platform for managing and enjoying racehorse ownership, bringing all members of the racing community together.*

20. Club members consent to receiving email, telephone updates and through the online Racing Manager portal about running plans of all horses and their associated activities. If any Club member wishes to cease receiving such communications he or she should contact the Club Managers with such request in writing

21. The law governing this agreement shall be the law of England. Any dispute arising under or in connection with this agreement shall be subject to the exclusive jurisdiction of the English courts to which the parties to this agreement hereby submit.

22. Any dispute arising from these Rules may at the option of the Club Managers be referred for determination to a single arbitrator appointed by the Club Managers, such arbitrator acting if he so determines in accordance with the provisions of the Arbitration Act 1996.